



Montana's Economy

Using Economic Data to Inform your Business

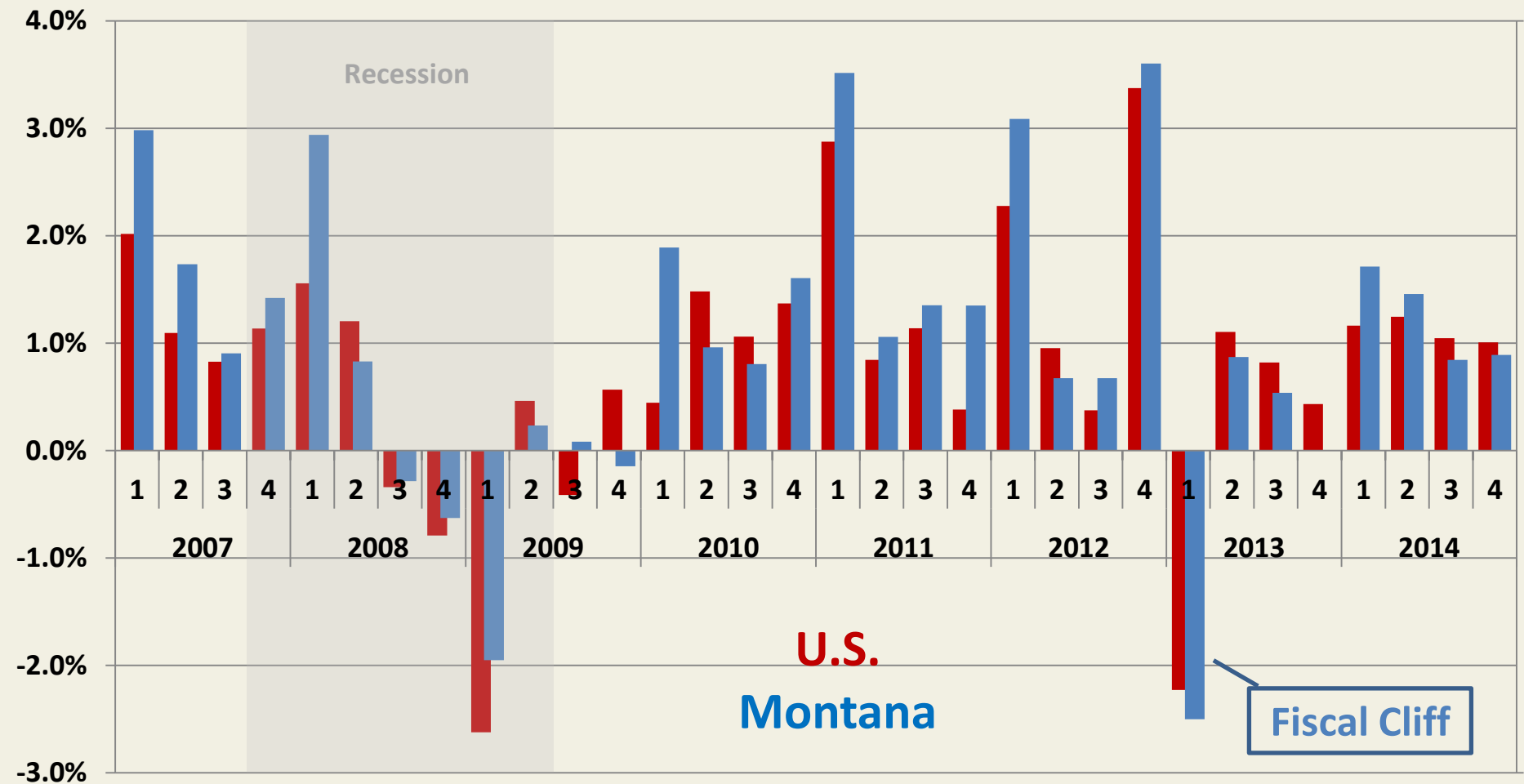
Invest in Success Conference
Great Northern Center, Helena, Montana
April 30, 2015

Barbara Wagner

Chief Economist

MT Dept. of Labor and Industry

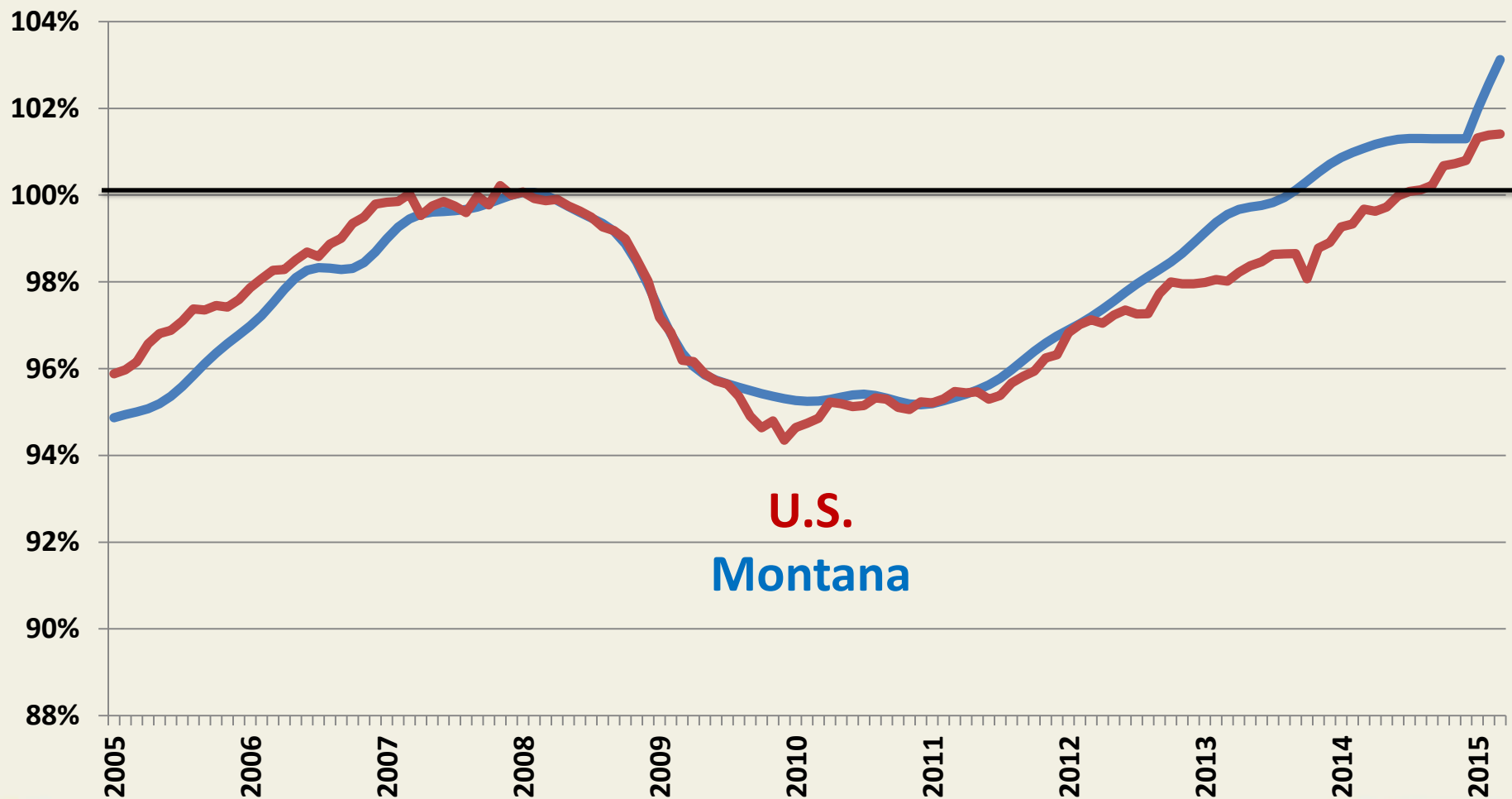
U.S. and Montana Gaining Strength



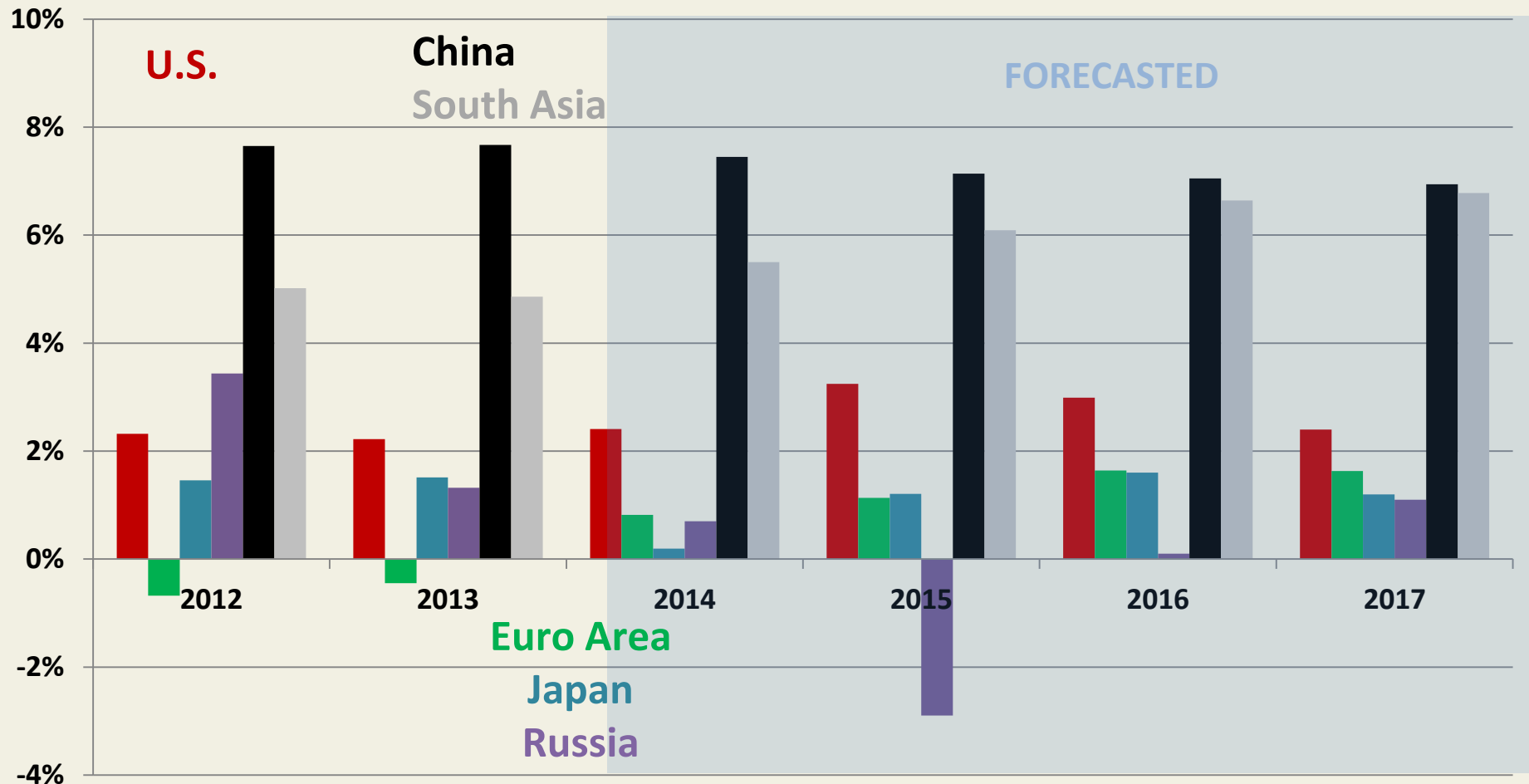


Employment Growth Has Been Strong

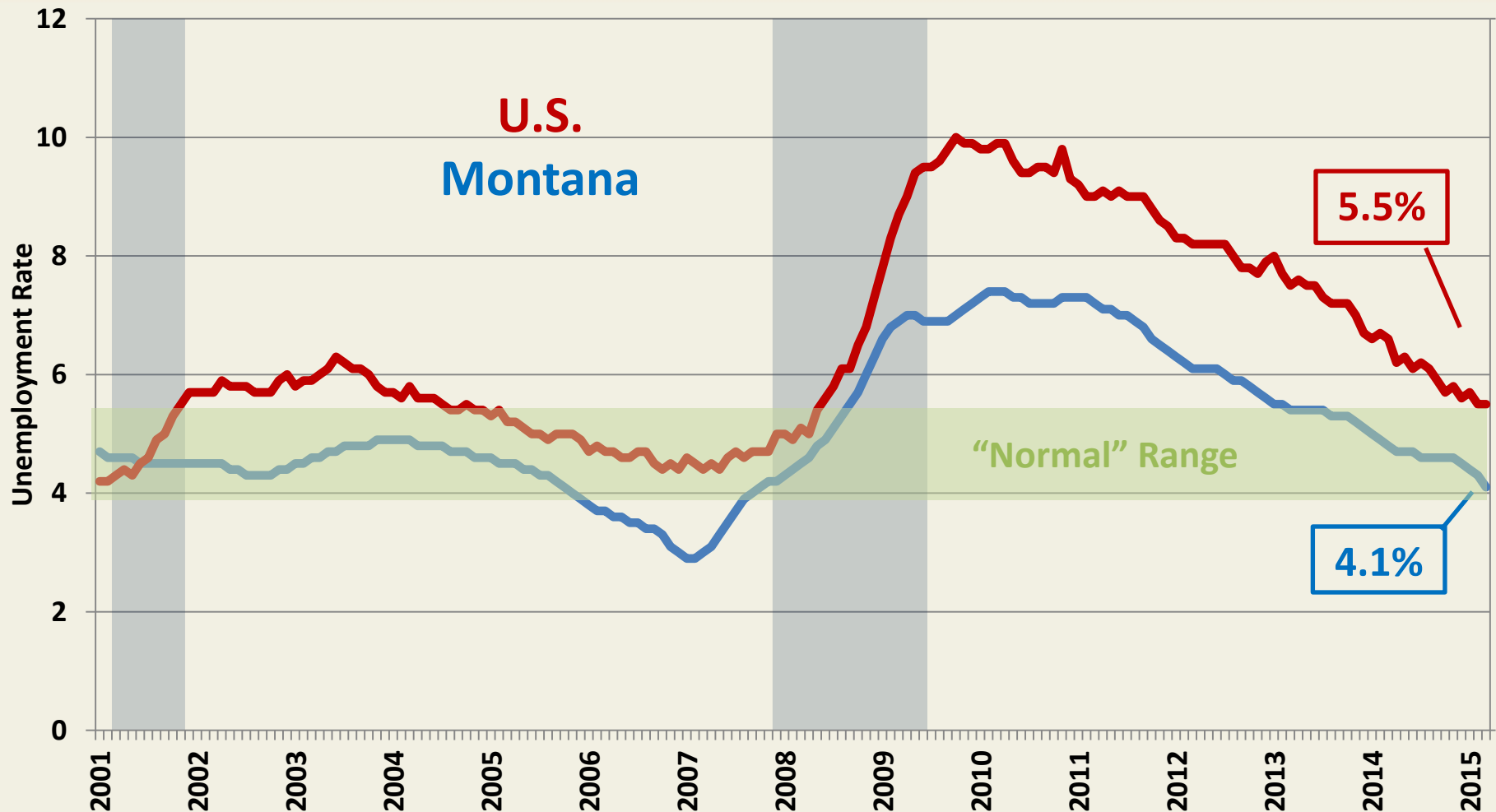
U.S. and MT Employment Indexed to Dec. 2007 = 100%



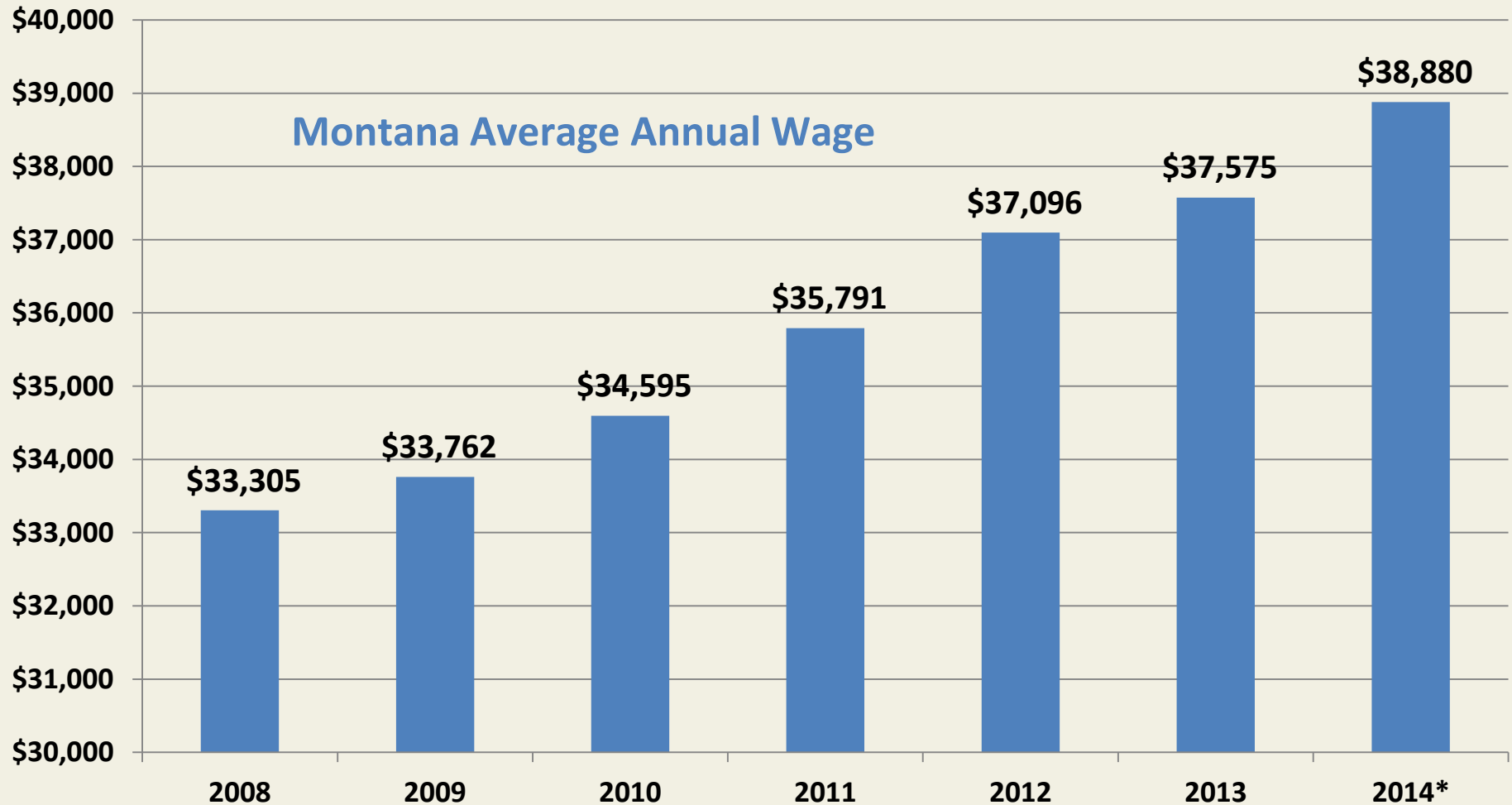
World GDP Growth



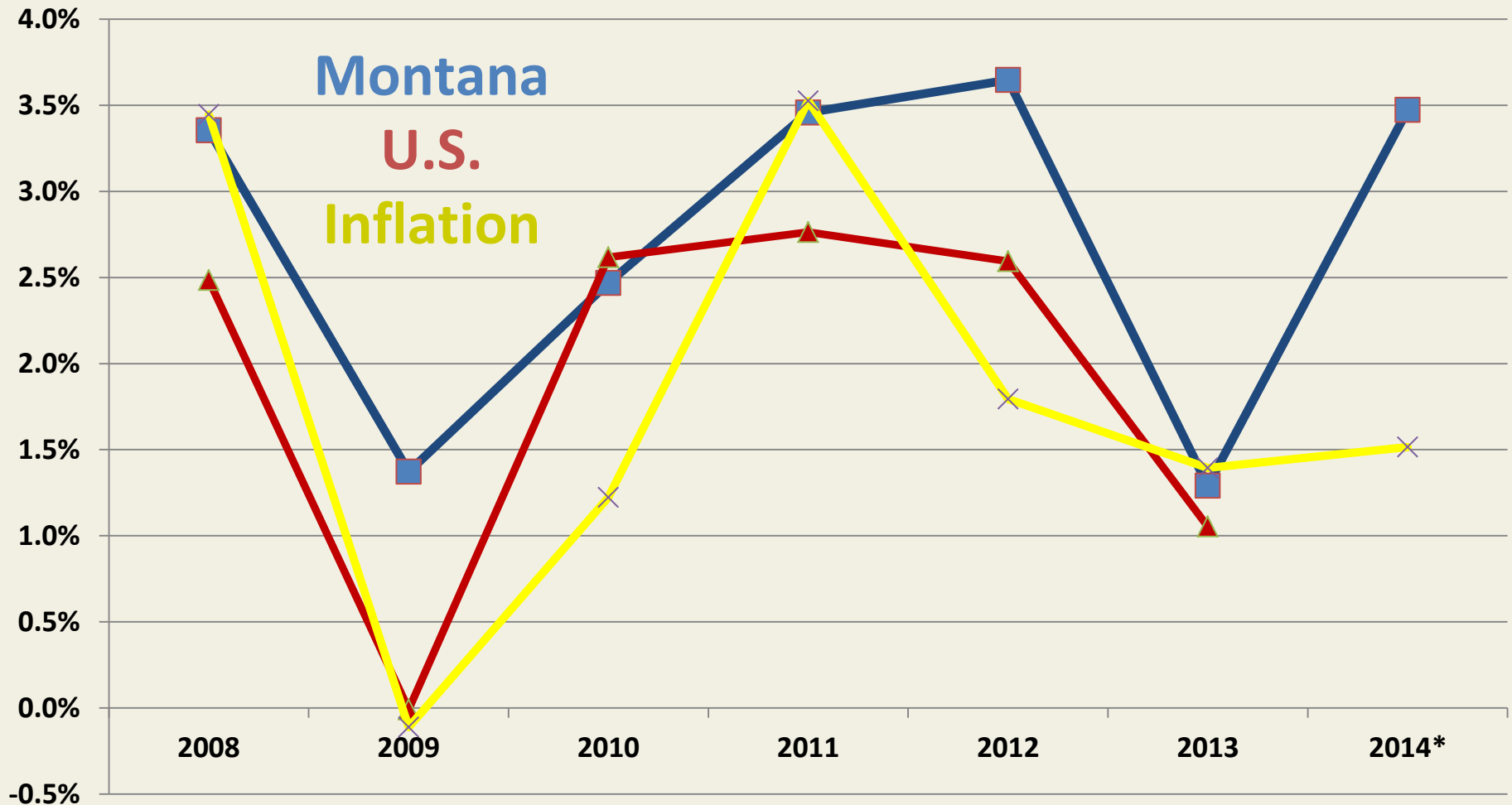
Montana's Unemployment Rate Reaches Pre-Recession Levels



Wages are Growing



Wage Growth in U.S. and MT



Economics: The Dismal Science

**U.S. Economic Growth Faster
than World**

**Stronger Dollar Hurts Exporting
Industries**

**MT Posting strong job growth
and low unemployment**

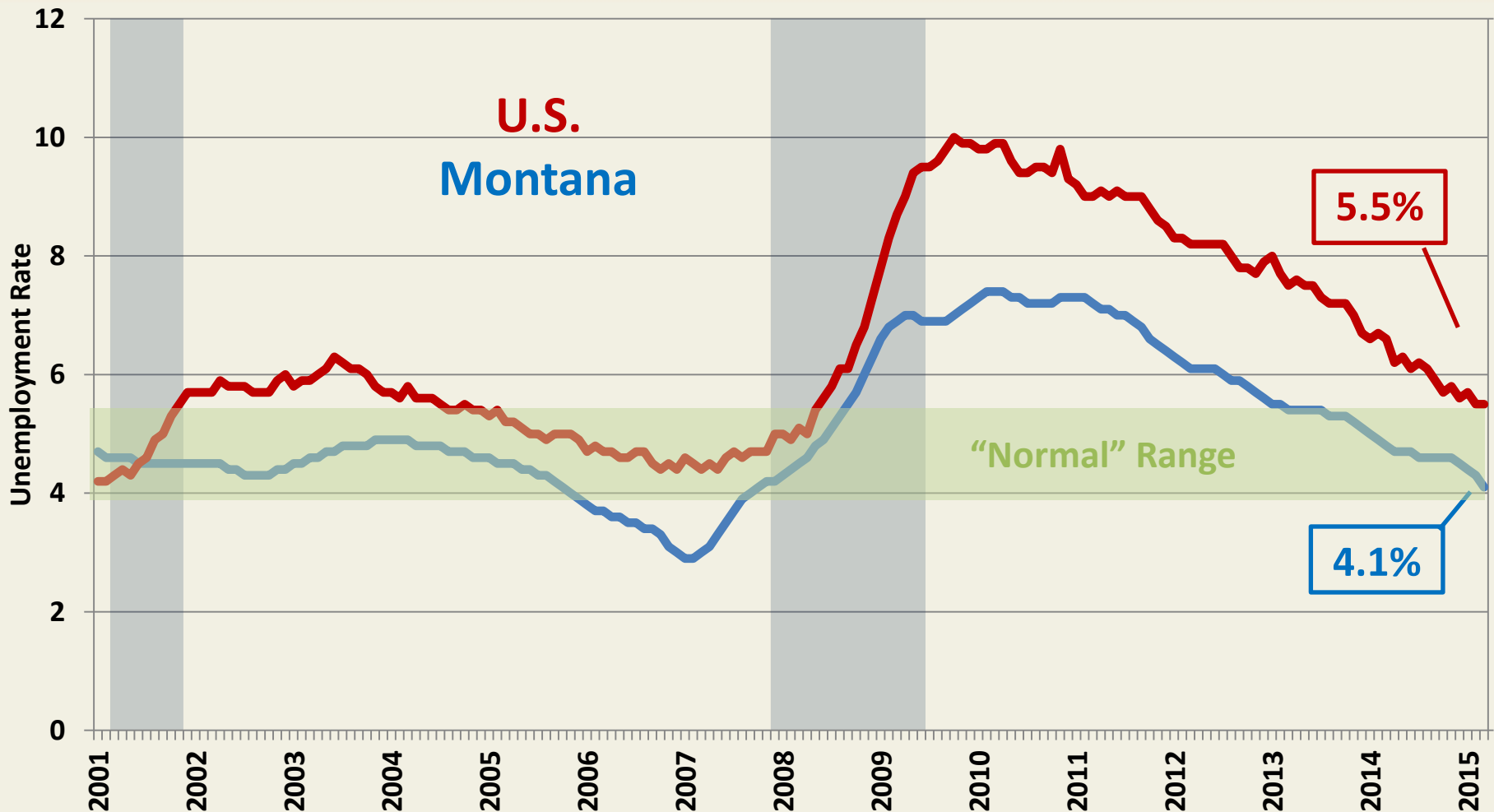
**Tight labor markets increase labor costs
and make recruitment/retention more
difficult.**



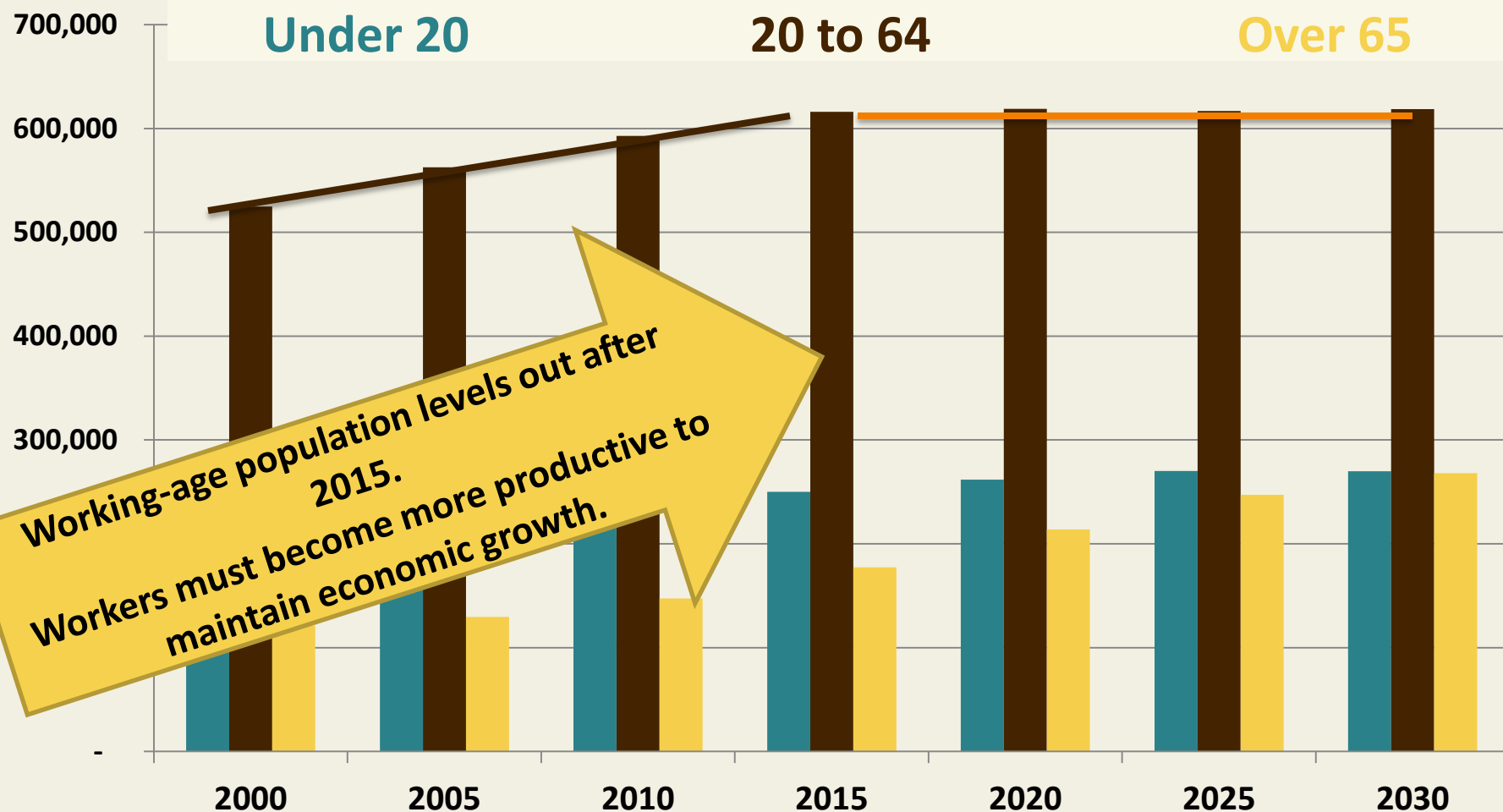
Montana Foreign Exports Including Nontangible Services



Montana's Unemployment Rate Reaches Pre-Recession Levels

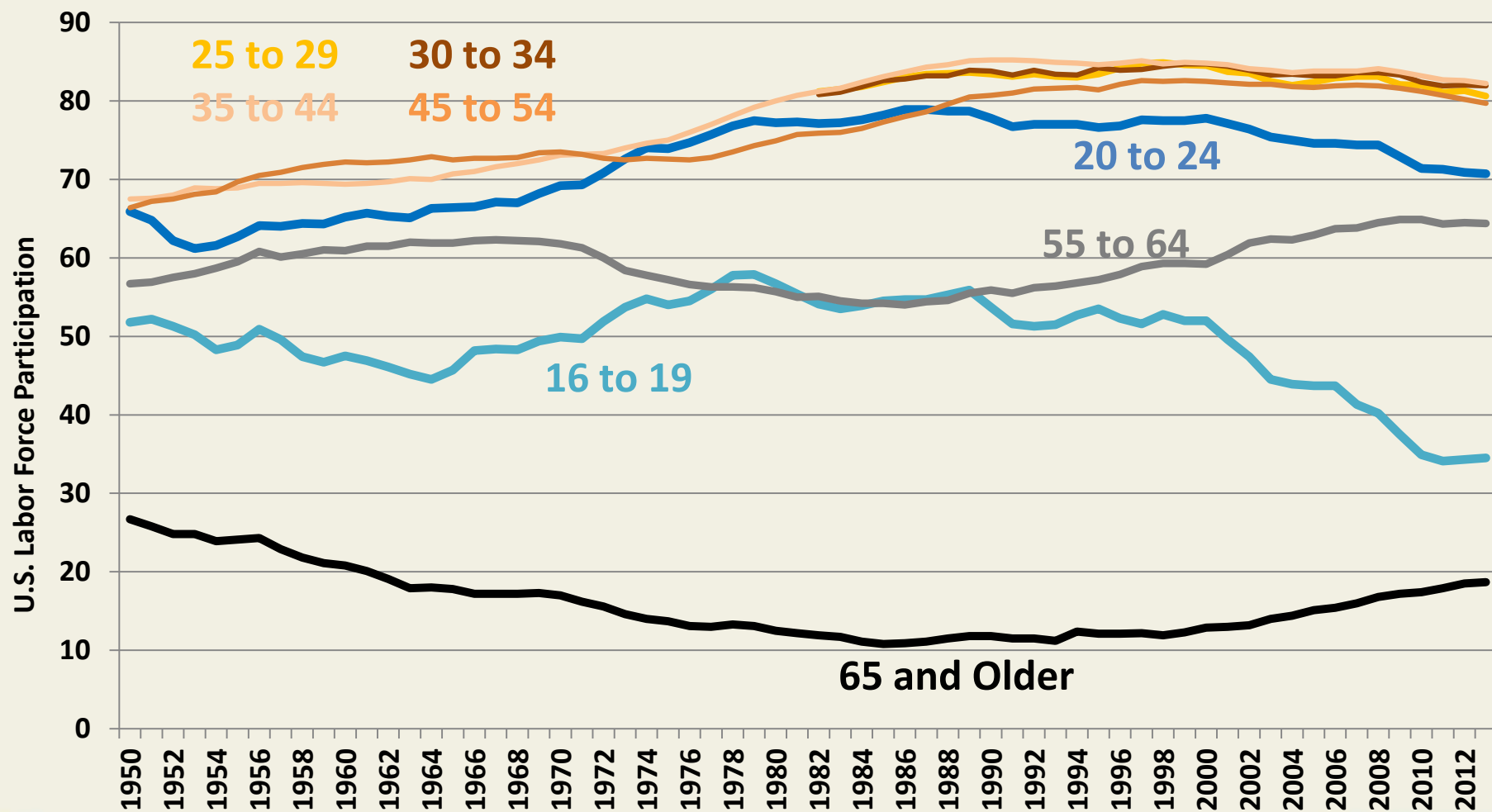


Montana's Aging Population



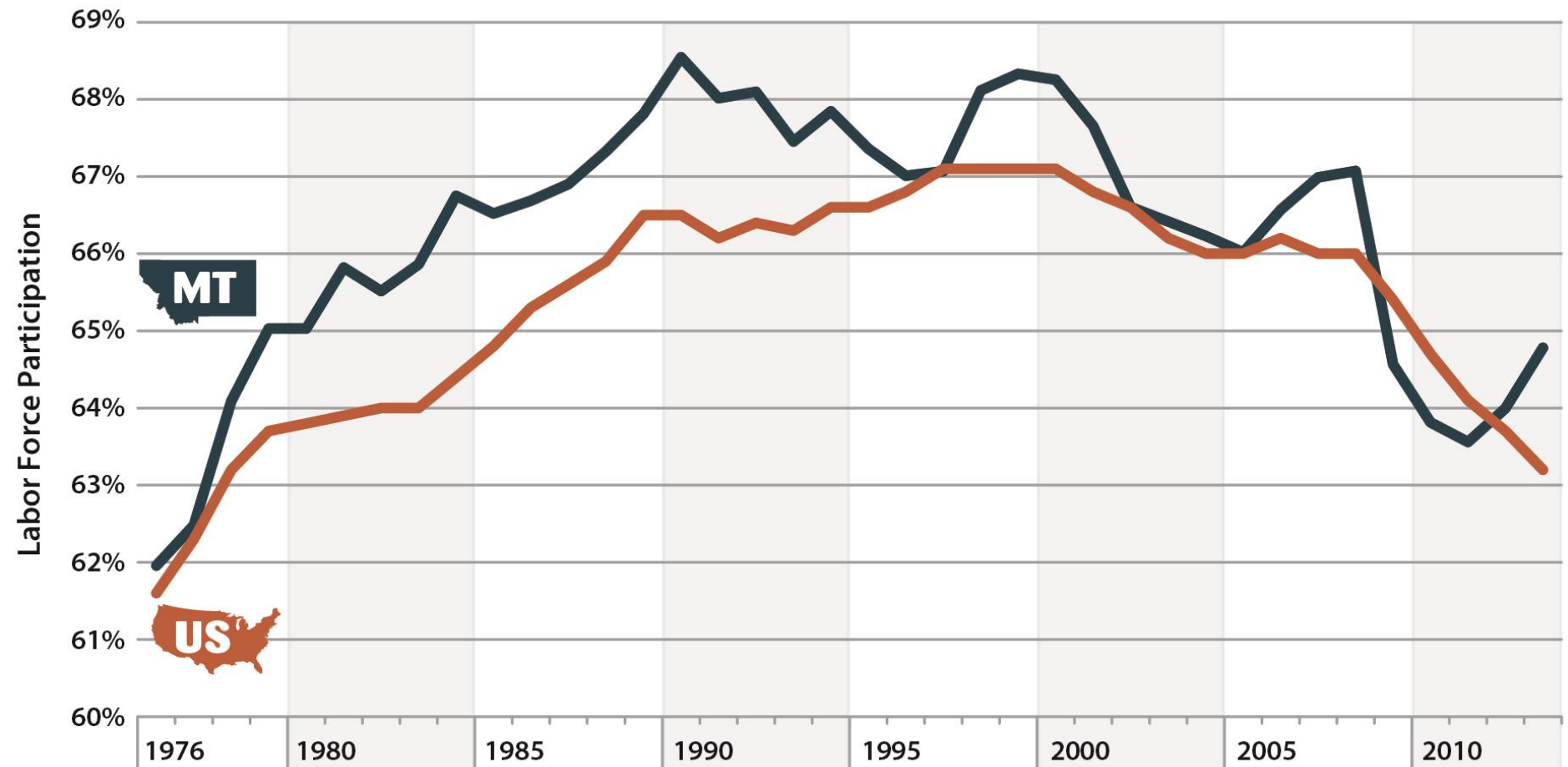
U.S. Labor Force Participation by Age Group

Fewer Working in Younger Generations



Labor Force Participation Recovering from Recession in Montana

Montana and U.S. Labor Force Participation Rates Since 1976





Take Away Points

- Montana's unemployment now at ideal levels.
- Ideally, rate stays at this level with both job growth and labor force growth.
 - More workers = greater potential GDP
 - Also need increased productivity and worker training
- Montana labor force levels are recovering better than the U.S. from recession change.
- Aging population, lower participation rates, and worker shortages will be an ongoing concern.

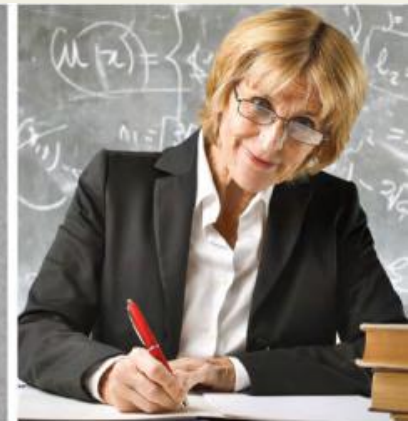


What does this mean for you?

Finding workers

www.lmi.mt.gov

Wages by
Occupation
by Region



Informational Wage Rates
by Occupation

2013



Montana Department of
LABOR & INDUSTRY



Montana Department of
LABOR & INDUSTRY

Wage Rates by Region

Informational Wage Rates by Occupation

Montana Department of Labor and Industry

Budget Analysts

13-2031

Examine budget estimates for completeness, accuracy, and conformance with procedures and regulations. Analyze budgeting and accounting reports.

Lay Title Examples: Budget Examiner, Budget Officer, Fiscal Officer, Cost Analyst

Area	Number Employed	Mean Hourly	Mean Annual	Mean Range RSE	Low End of Mid. Range	Median Hourly	High End of Mid. Range	Median Annual
Montana Statewide	220	\$27.35	\$56,890	1.9	\$23.68	\$26.52	\$31.27	\$55,160
Missoula MSA	30	\$25.49	\$53,020	2.0	\$18.47	\$22.64	\$31.28	\$47,100
Southwest - Balance of State	90	\$26.33	\$54,770	2.2	\$23.69	\$25.97	\$28.96	\$54,010

Credit Analysts

13-2041

Analyze credit data and financial statements of individuals or firms to determine the degree of risk involved in extending credit or lending money. Prepare reports with credit information for use in decision making.


Lay Title Examples: Credit Negotiator, Credit Assessment Analyst, Credit Risk Analyst, Escrow Representative

Area	Number Employed	Mean Hourly	Mean Annual	Mean Range RSE	Low End of Mid. Range	Median Hourly	High End of Mid. Range	Median Annual
Montana Statewide	110	\$24.87	\$51,720	4.8	\$18.92	\$22.51	\$28.71	\$46,820
Billings MSA	30	*	*	*	*	*	*	*





Cost of Living Increases


www.bls.gov/bls/escalation.htm

 UNITED STATES DEPARTMENT OF LABOR

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Contract Escalation

Consumer Price Indexes often are used to escalate or adjust payments for rents, wages, alimony, child support and other obligations that may be affected by changes in the cost of living. There is a web page explaining [how to use the CPI for escalating contracts](#).

Producer Price Indexes can also be used in contract escalation. A web page explaining [how to use PPIs for escalating contracts](#) is available.

In addition, the Employment Cost Index (ECI) is increasingly being used by business organizations as an escalator to adjust long-term sales and purchasing contracts, and to adjust wage rates in collective bargaining agreements. There is a web page explaining [how to use the ECI for escalating contracts](#).



Regional Price Changes

- U.S. and Metro prices only.
- Wage growth and price increases similar in most circumstances.
 - But not necessarily in E. Montana.
- Possible new data being released next year to provide more county price information.



Is your turnover high?

State

Montana

Indicator

TurnOvrS - Turnover (Stable)

Get Data

Share

Get Report

Filters/Aggregations

Quarters: X-Axis

Sub-State Geography: [None](#)

Industries: [None](#)

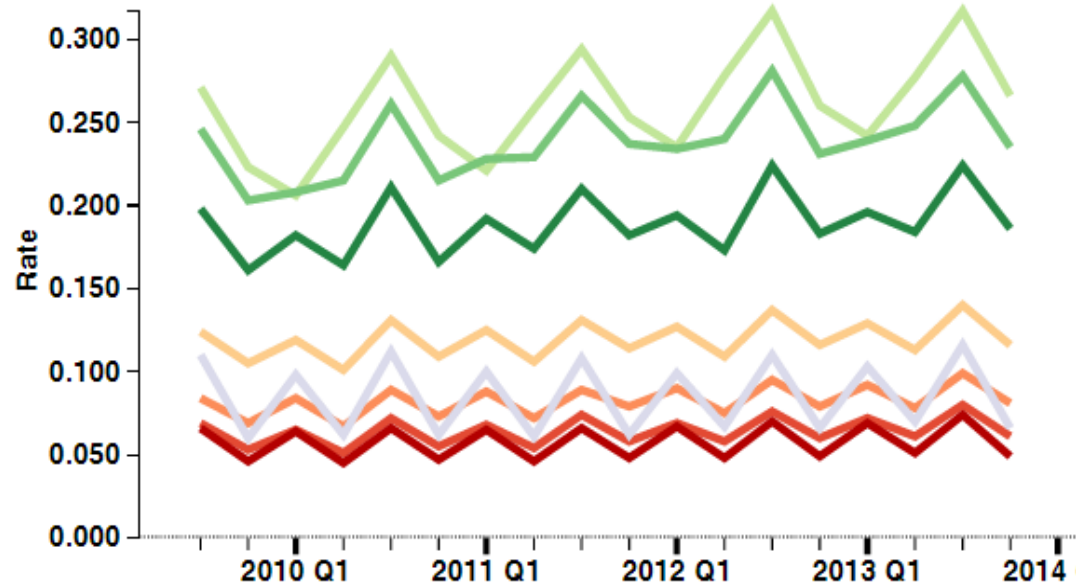
Firm Ownership: [All Ownership](#)

Firm Age/Size: [None](#)

Worker Characteristics: [None](#)

QWI Status Flags

☐ Data not available to compute this estimate.



X-Axis

Year/Quarter

[20 Year/Quarters Selected](#)

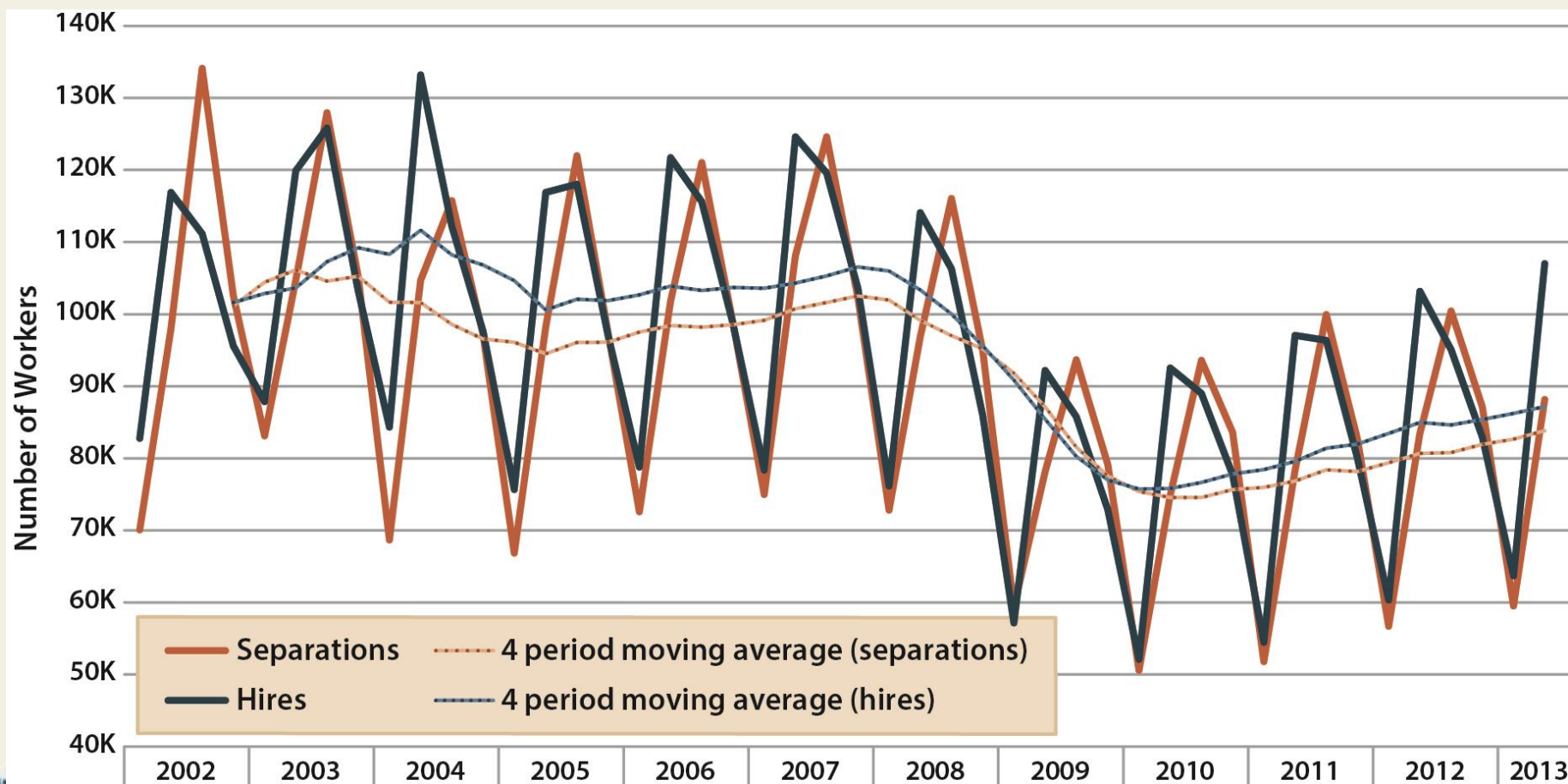
Group

Age

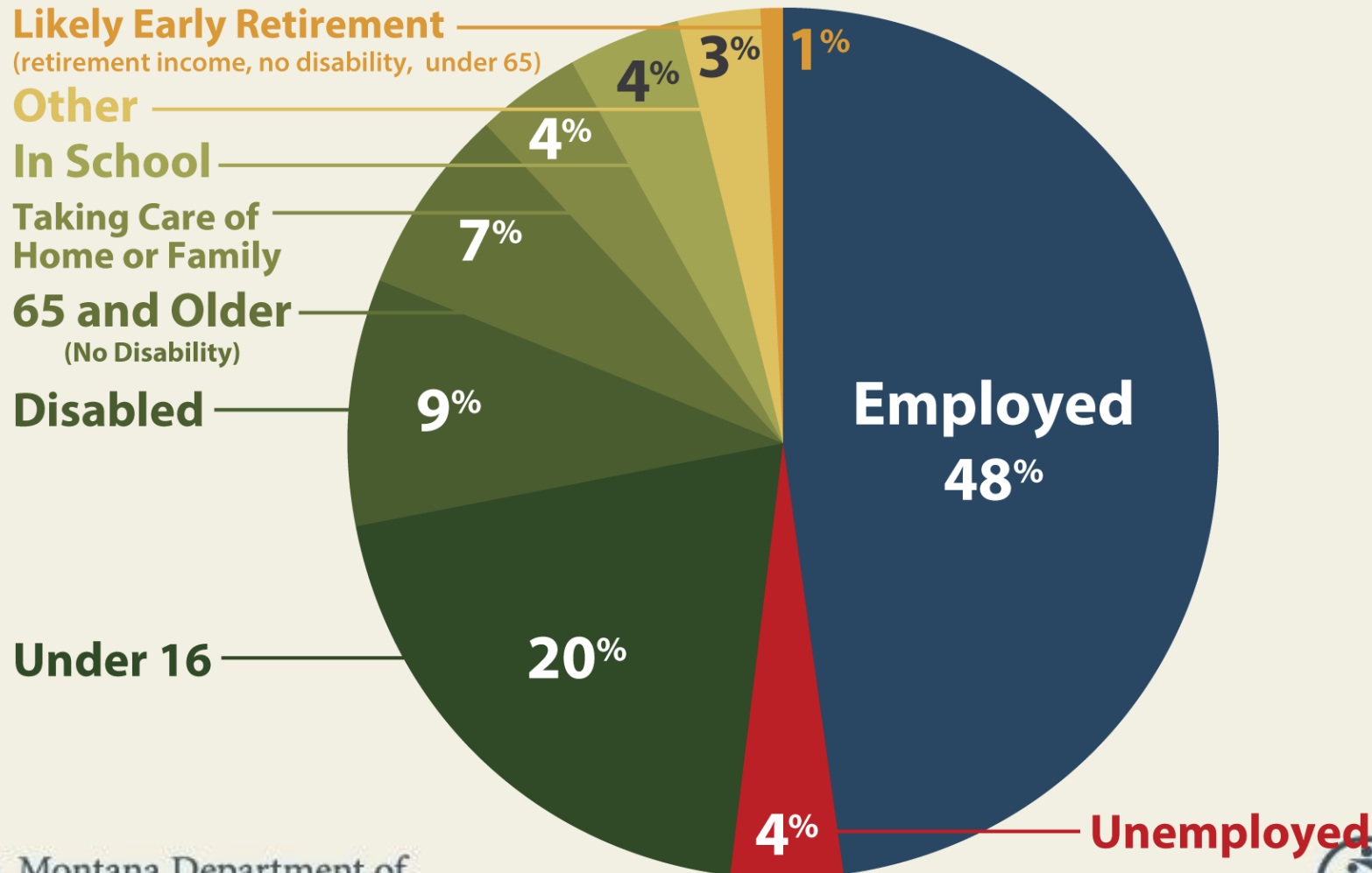
[Eight Age Group](#)

Separations and Hires Rate Still Below Pre-Recession Levels

- Low separation and hire rates despite good unemployment suggests labor market frictions. (i.e. skills gap, geographical gap, wages not responding, etc.)



Employment Status of the Montana Population



Data for Marketing

The screenshot shows the OnTheMap web application in a browser window. The address bar displays `onthemap.ces.census.gov`. The application has a blue header with the title "OnTheMap". Below the header, there are three tabs: "Start", "Base Map", and "Selection", with "Start" currently selected. The "Start" tab contains a "Welcome to OnTheMap!" message, instructions on how to use the application, a link to "Updated Roads and Cartography (12/03/2014)", a "Search" section with a text input field, a "Search" button, and a "Search All Names" dropdown menu, and an "Import Geography" section with links for "Import from KML", "Import from SHP", and "Import from GPS". There is also a "Load .OTM File" section with a "Load" button. The right side of the application features a map of the United States with several cities labeled: Seattle, San Francisco, San Jose, Los Angeles, San Diego, Phoenix, and El Paso. Above the map, there are buttons for "Save", "Load", "Feedback", "Previous Extent", and "Hide Tabs". A vertical scale bar is located to the left of the map.





MORE INFORMATION AVAILABLE:

WWW.LMI.MT.GOV

LABOR DAY REPORT LINK:

[HTTP://OURFACTSYOURFUTURE.ORG/ADMIN/UPLOADEDPUBLICATIONS/5686_LDR14.PDF](http://OURFACTSYOURFUTURE.ORG/ADMIN/UPLOADEDPUBLICATIONS/5686_LDR14.PDF)

JOB PROJECTIONS REPORT LINK:

[HTTP://WWW.OURFACTSYOURFUTURE.ORG/ADMIN/UPLOADEDPUBLICATIONS/5621_EMP PROJ.PDF](http://WWW.OURFACTSYOURFUTURE.ORG/ADMIN/UPLOADEDPUBLICATIONS/5621_EMP PROJ.PDF)

